

State of Louisiana

DEPARTMENT OF JUSTICE P.O. BOX 94005 BATON ROUGE 70804-9005

CONTACT

Jennifer Roche 225-326-6761 rochej@ag.state.la.us

Laura Gerdes 225-326-6763 gerdesl@ag.state.la.us

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ATTORNEY GENERAL CALDWELL ANNOUNCES \$20 MILLION SETTLEMENT WITH PHARMACEUTICAL COMPANY

(Baton Rouge, LA)— Attorney General Buddy Caldwell announced today that Louisiana has settled its lawsuit against pharmaceutical company Eli Lilly concerning its off-label marketing of the antipsychotic drug Zyprexa. Louisiana will receive \$20,000,000.00.

The suit, filed under the state's Louisiana Unfair and Deceptive Trade Practices Act, alleged that Eli Lilly engaged in unfair and deceptive practices when it promoted the off-label marketing of Zyprexa. Zyprexa is an antipsychotic medication used to treat psychological disorders such as schizophrenia and bipolar disorders in adults only.

The suit alleged that despite the fact that Zyprexa had not been tested or approved by the Food and Drug Administration (FDA) for pediatric use, Eli Lilly marketed the drug for use with children. The suit further alleged that Zyprexa was not approved for off-label usage for treatment of illnesses such as depression, anxiety, attention deficit

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disorder, sleep disorders, anger management, or mood stabilizers. As a result of the offlabel marketing of Zyprexa, the state suffered harm and incurred medical expenses to treat the health affects of those suffering from Zyprexa related illnesses such as diabetes and seizures.

"This settlement is a great victory for the state of Louisiana and its citizens," Attorney General Caldwell stated. "This settlement sends a clear message to pharmaceutical companies that improper and illegal marketing of drugs will not be tolerated in Louisiana. The state will receive reimbursement for our Medicaid program that paid claims related to health affects suffered by patients who took a drug not appropriate for them," said Caldwell.

The following are included in the terms of the settlement:

- Eli Lilly shall not make any written or oral claim that is false, misleading or deceptive regarding Zyprexa.
- For six years from the effective date (November 1, 2008) Lilly shall not promote Zyprexa for off-label uses.
- Eli Lilly shall not use grants to promote Zyprexa.
- Eli Lilly sales representatives may only sample Zyprexa to a health care professional whose clinical practice is consistent with the product's current labeling.
- Eli Lilly medical personnel, not Eli Lilly sales and marketing personnel,
 shall have ultimate responsibility for developing and approving the
 medical content for all medical letters and medical references regarding

Zyprexa, including any that may describe off-label information.

Louisiana Settlement

Louisiana General Fund \$16,947,504.96

Medicaid Restitution \$1,526,247.52

Additional Medicaid Recovery \$1,526,247.52

Total \$20,000,000.00

The Eli Lilly case was handled by private counsel appointed by the attorney general. Eli Lilly will pay fees to private counsel for the State in addition to the settlement with the state. No portion of the state's recovery was utilized in the payment of attorneys' fees.